

# **Historic, Archive Document**

Do not assume content reflects current scientific knowledge, policies, or practices.



FILED

UNITED STATES DEPARTMENT OF AGRICULTURE  
Office of Information

LIBRARY  
RECEIVED

★ JUN 23 1941 ★

U. S. Department of Agriculture

AND-32-41

June 20, 1941.

FOR ADMINISTRATIVE USE ONLY

AGRICULTURE AND NATIONAL DEFENSE

DIRECTOR M. CLIFFORD TOWNSEND, of the Office of Agricultural Defense Relations told the Research Directors of Trade Unions meeting in Washington, June 19, that the OPM/Plant Site Committee, of which he is a member, is attempting to locate defense industries so as to "balance our national economy and avoid the problems of mass migration of workers and the social impact of industrial concentration." Director Townsend pointed out that in the early stages of the defense program many new defense plants were "concentrated into congested areas with seeming disregard for social impacts." He said this was done because industry pleaded it "had no ready-trained staffs" and asked that "the plants be located in manufacturing areas where there was a large supply of trained management and skilled labor."

"During the second period of plant locations," Director Townsend said, "the Plant Site Committee was established for the express purpose of scattering war industries and eliminating the hard, damaging social blows of industrial concentration. In considering the location of a defense project, the first consideration must be the technical requirements. The second consideration is that the area for a proposed plant must have a large supply of idle labor. Of equal importance is that the proposed site be within the so-called "safe" zone in regard to distance from the coast, and that it not be located in an area where agricultural commodities essential to defense are being produced. Agriculture's basic part in our national defense effort is becoming more vital every day. Food from American farms is fast becoming as essential as our munitions to the British. For example, our dairy production is being stepped up to meet British needs, and therefore we cannot afford to take good dairy land out of production, or rob dairy farms of their labor. The inevitable result of these considerations is the location of a larger and a more proportionate share of new defense industries in the South and West. In this way, the Plant Site Committee is seeking also to balance our national economy and avoid the problems of mass migration of workers to already congested industrial sections."

An all-out effort to convert enough of America's milk production into cheese and evaporated milk to meet the needs of the British under the Lend-Lease Act has been launched by the Department of Agriculture. Secretary Wickard, in re-emphasizing the British need for dairy products, declared that "to date we have been able to buy only about half the amount of cheese we wanted to obtain by the end of June and less than two-thirds of the amount of evaporated milk."

"Sending enough of needed dairy products is a vital part of our aid-to-Britain policy," the Secretary declared. "Our total milk production is adequate for meeting this need, in addition to meeting needs in this country, but the milk has not been going into cheese and evaporated milk at rates fast enough to supply the British with minimum requirements. The immediate problem is to convert a larger amount of our dairy production into cheese and evaporated milk. I am confident that American farmers and the dairy industry can



produce the necessary volume of these supplies which the British need as much as they need guns and planes. In the interests of all American citizens, we intend to meet those needs."

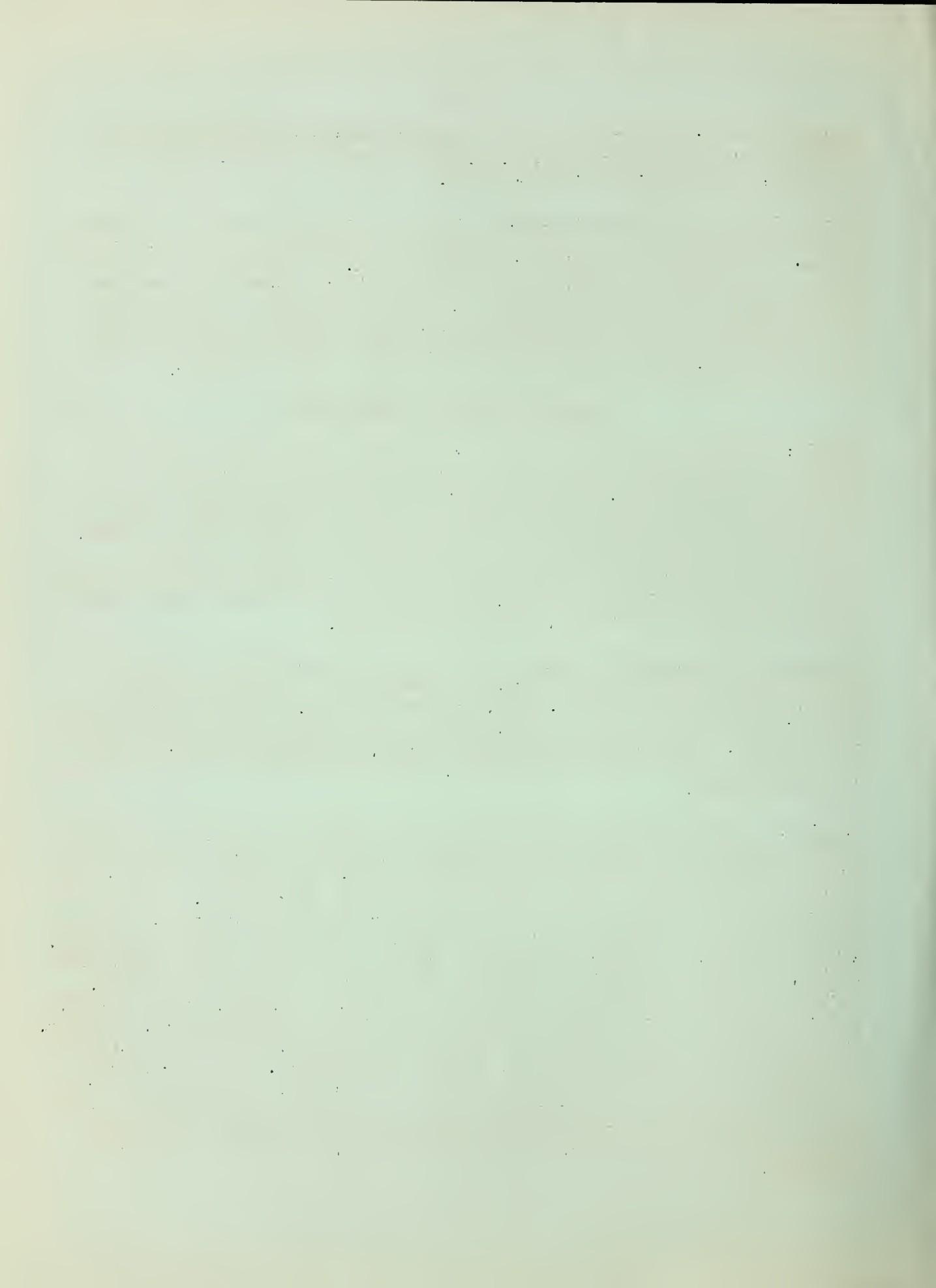
Total production of American Cheddar cheese in the last 12 months was about 605 million pounds and the total production of evaporated milk was 58 million cases. On the basis of anticipated requirements, the Department estimates that cheese production should be increased by about one-third and evaporated milk production by about one-fourth. In order to encourage the conversion of milk into cheese and evaporated milk, the Department is purchasing these two products at prices which should yield farmers a higher return for milk going into them than into any other dairy products, such as butter.

#### SUMMARY OF FOREIGN DEVELOPMENTS

BRAZIL: The Bank of Brazil's cotton loan level has been increased to 45 milreis per 15 kilograms (8.24 cents per pound) for Sao Paulo type 5 of 28 millimeter fiber length, and to 40 milreis (7.33 cents per pound) for Northern type 5's of fiber lengths between 26 and 28 millimeters. Since handling and the other costs of preparing cotton for export amount to about 5 milreis per kilogram (91.6 cents per 100 pounds) the Bank's exchange control will permit exports only against delivery of foreign exchange corresponding to prices of 50 milreis (9.15 cents per pound) and 45 milreis (8.24 cents per pound) respectively, for those two types.

FRANCE (OCCUPIED AND FREE ZONES): The Ministry of Agriculture reported that while winter freezes did some harm, the condition of the wheat, rye and maslin crops at the end of May, 1941, was satisfactory. Very unfavorable weather conditions since that time, however, have considerably retarded growth and maturity. With respect to the fruit crops, the Minister indicated that some damage, but of no great importance, was experienced as a result of frost in April and May.

GERMANY: It was announced semiofficially that rumors of a further reduction in meat rations by 50 grams were unfounded and that the existing ration would remain unchanged. On the other hand, other sources state that a further reduction is not unlikely despite denials that it is contemplated. Reports also indicate that a reduction in the fat rations is under consideration. The Reich Food Estate announced that spring field work for all crops is completed. Adverse weather, experienced during the latter part of the spring cultivation period, caused considerable difficulty. During the early weeks of spring, favorable weather facilitated work and by the middle of April, it is claimed, a much greater area was under cultivation than in the preceding year. However, the long period of cold weather and rain which followed, with night frosts and snowfalls in the eastern districts, greatly delayed work. As a result commencement of work in the root crops fields was retarded. By the middle of May the weather was once more favorable and in 3 to 4 weeks the remainder of the grain acreage was sown to the extent planned, and the planting of the root crop area with late potatoes, sugar beets and fodder beets was successfully completed.



HUNGARY: There are indications that a considerable quantity of cotton has been imported by Hungary following the conclusion of the barter arrangement between the U.S.S.R. and Hungary. It is further indicated that there are present in the Black Sea port 1,500 metric tons of cotton destined for Hungary which will be transported to its destination in Hungary in 100-ton lots.

INDIA: The Government of India advised that in 1940 a quota was fixed for 23,000 bales of wool for export direct to the United States during the year ending September 30, 1941. This was regarded as being the normal quantity shipped direct from India to the United States. The intention was that United States importers should obtain the balance of their requirements of Indian wool as usual from Liverpool. Owing to the present shipping situation it has since been decided to allow further direct shipments from India to the United States, and an additional 20,000 bales were released for such direct shipment a few months ago.

SLOVAKIA: Reports indicate that Slovakian textile mills, using cotton from Russia, are operating at full capacity. The probability was also indicated that cotton from the United States to offset exports to Slovakian and other European countries was being imported by the U.S.S.R.

SWEDEN: Crop prospects on May 31 were the poorest in years because of cold weather and drought.

UNITED KINGDOM: The Ministry of Food issued an order effective June 14 permitting the importation and sale of bacon and ham, free of any obligation imposed by the Merchandise Marks Act 1936 which required that such products bear an indication of their origin. The Ministry indicated that the order was issued in anticipation of American bacon and ham shipments.

